

# ALERTS

## North Carolina Legislative Report - March 18, 2016

March 18, 2016

Lawmakers will return to Raleigh for the short session April 25, 2016. The MVA Public Affairs Legislative Report on North Carolina will be distributed on a bi-weekly basis during the interim to keep you up to date on the latest legislative issues facing the state.

### *Committee Meetings*

#### **Select Committee on Strategic Transportation Planning and Long Term Funding Solutions**

The Committee and its subcommittees met on Monday, March 7. The Subcommittees on Primary System and Secondary System met jointly. These Subcommittees heard from representatives of local governments on their vision for modernizing the State's transportation network and from an industry representative on innovative funding options for transportation improvements.

The Public Transportation/Aviation Subcommittee heard a presentation from the executive director of the Charlotte Area Transit System on project updates and future plans related to the system.

The Ports/Rail Subcommittee heard from representatives of the U.S. Army Corps of Engineers and the North Carolina Department of Environmental Quality about dredging efforts related to the State's waterways. In addition, this Subcommittee heard a presentation on rail realignment options in the Wilmington area.

The full Committee met in the afternoon and heard three presentations. First, the Committee heard about tolling projects in other states and lessons learned from those projects. Next, the Committee heard a presentation on the business perspective of regional transportation planning. This presentation focused on efforts in the Triangle. Finally, the Committee heard a presentation from legislative staff detailing the State statutory provisions with respect to unpaved roads. The next scheduled meeting of the Committee is on Monday, March 28 at the Port of Morehead City.

#### **Joint Legislative Oversight Committee on Health and Human Services**

The Committee held its third meeting of the interim on Tuesday, March 8. After opening comments from the Chair, the Committee heard comments from Department of Health and Human Services (DHHS) Secretary Rick Brajer on outstanding issues from the February meeting. Members received an update on the statewide evaluation of the child protective services systems, the federal review and final report of the State's child welfare system, a report on the plan to expand foster care services to age 21 and the regulation of advanced practice registered nurses in North Carolina.

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Members returned in the afternoon for discussion on a strategic plan for addressing Alzheimer's disease and related dementias. The Committee concluded with a review of the joint study of Justice and Public Safety and Behavioral Health and draft committee recommendations. The Committee will meet again on Tuesday, April 12.

### Revenue Laws Study Committee

The Revenue Laws Study Committee met on Tuesday, March 8 and had a packed agenda. First, the Committee heard from Alan Woodard with the Department of Revenue with respect to several tax compliance and audit efforts under way at the Department. Next, legislative staff provided a detailed presentation on the excise tax imposed on mill machinery in lieu of the general sales and use tax. This was followed by a brief presentation by legislative staff on market-based sourcing for corporate apportionment purposes. This presentation included a revised legislative proposal, which included specific sourcing rules for banks. Another legislative staff member then gave a detailed presentation on issues raised by legislation enacted in 2015 that applied the sales and use tax to certain repair, maintenance, and installation services. The Committee also reviewed legislative proposals with respect to conformity to federal tax law changes and revenue law technical corrections. Legislative staff made additional presentations with respect to certain exemptions from the motor fuels tax allowed to local governments and updates on efforts nationally to collect sales and use taxes from remote retailers. Finally, the Committee heard from e-cigarette wholesalers with respect to the application of the excise tax on other tobacco products to their industry. The Committee's next scheduled meeting is Tuesday, April 12.

### Economic Development and Global Engagement Oversight Committee

The Committee met on Thursday, March 17. First, the Committee heard from the Rural Economic Development Division of the Department of Commerce on that Division's site development and shell building loan programs. Second, the Committee heard from representatives of numerous State agencies on their efforts to assist economically distressed areas of the State. Specifically, the Committee heard from the Departments of Environmental Quality (with respect to water and sewer infrastructure programs), Information Technology (with respect to availability and accessibility of broadband service), Transportation (with respect to the funding of transportation projects), and Public Instruction (with respect to low-wealth school supplemental funding). Finally, the Committee had prolonged discussions about a proposal to re-vamp the State's county tier system, which was designed to measure economic distress. Ultimately, no action was taken on the proposal that was presented at this meeting. The Committee's next scheduled meeting is on Thursday, April 7.

### *In The News*

- Raleigh News & Observer: US Senate candidates Burr, Ross differ on Obama's nomination to court
- Raleigh News & Observer: Few surprises, maybe some recounts in NC legislative primaries
- Associated Press: Primary voter turnout at 35 percent, exceeding 2012 primary
- *Associated Press: New filing period begins for elections upset by rulings*

*Legislative Calendar*

Tue, March 22, 2016

2:00 PM

Committee on Access to Public Lands (LRC)(2015)

544 LOB

Wed, March 23, 2016

9:00 AM

Joint Legislative Oversight Committee on Health and Human Services, Subcommittee on Statewide Early Education & Family Support Program

544 LOB

9:30 AM

Select Committee on Achievement School Districts (House)

424 LOB

9:30 AM

Committee on Savings Reserve Account (LRC)(2015)

643 LOB

12:30 PM

Select Committee on Step Therapy -- CORRECTED (House)

544 LOB

2:00 PM

Select Committee on Education Strategy and Practices -- CORRECTED (House)

415 LOB

Thu, March 24, 2016

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9:30 AM

Select Committee on Education Strategy and Practices (House)

415 LOB

**Mon, March 28, 2016**

1:00 PM

Blue Ribbon Commission to Study the Building and Infrastructure Needs of the State (2013)

643 LOB

1:45 PM

Select Committee on Strategic Transportation Planning and Long Term Funding Solutions (House)

Train Depot, 1001 Arendell St., Morehead City, NC

**Thu, March 31, 2016**

9:30 AM

Environmental Review Commission -- CORRECTED

415 LOB

**Tue, April 05, 2016**

2:00 PM

Committee on Homeless Youth, Foster Care and Dependency (LRC)(2015)

415 LOB

**Wed, April 06, 2016**

9:30 AM

Joint Legislative Oversight Committee on Unemployment Insurance

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544 LOB

**Thu, April 07, 2016**

9:30 AM

Joint Legislative Economic Development and Global Engagement Oversight Committee

643 LOB

1:00 PM

Joint Legislative Oversight Committee on Information Technology

544 LOB

**Mon, April 11, 2016**

8:30 AM

Joint Legislative Oversight Committee on General Government

1027/1128 LB

**Tue, April 12, 2016**

8:30 AM

Joint Legislative Oversight Committee on Health and Human Services

643 LOB

1:00 PM

Joint Legislative Oversight Committee on Medicaid and NC Health Choice

643 LOB

**Thu, April 14, 2016**

11:15 AM

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Senator Blue Press Conference

Press Room LB

**Mon, April 25, 2016**

7:00 PM

Session Convenes (House)

House

7:00 PM

Session Convenes (Senate)

Senate